

**CITY OF INGLESIDE DEVELOPMENT CORPORATION
MINUTES
BOARD OF DIRECTORS MEETING
MAY 30, 2007**

1. Call to order

The meeting was called to order at 6:00 p.m. with Directors Robert Clarke, Steve Diehl, Paul Pierce, Bill Underbrink and Cindy Wilson present. Directors absent: Fred Glazner and Del Lewis. Others present: Acting City Manager Paul Baen, and approximately 3 guests.

2. Nomination of Corporate Officers

It was noted that at its meeting of March 13, 2007, the Ingleside City Council elected each of the Directors to staggered terms. (Directors Wilson, Diehl, and Clarke were elected to terms ending September 2007 and Directors Lewis, Glazner, Pierce and Underbrink were elected to terms ending September 2008.)

Considering that it has been some time since the Board of Directors has met, it was suggested that it would be appropriate to nominate new officers for the corporation. After discussion of the various positions and responsibilities of the corporate officers, the following nominations were made:

President – Bill Underbrink (Moved by S. Diehl, seconded by R. Clarke. Passed 5 – 0.)

Vice President – Fred Glazner (Moved by R. Clarke, seconded by S. Diehl, Passed 5 – 0)

Secretary/Treasurer – Paul Pierce (Moved by B. Underbrink, seconded by R. Clarke,
Passed 5- 0)

3. Designation of Registered Agent

The Board was advised by Acting City Manager, Paul Baen, that the current registered agent for the corporation is Mr. Mike Rhea. After discussion of the duties and responsibilities of the registered agent, the following resolution was made by Director Pierce, seconded by Director Clarke and unanimously approved:

RESOLVED, that the City Manager of the City of Ingleside, Paul Baen, is hereby designated as the Registered Agent for the Corporation and he is hereby authorized to file such reports as may be necessary to effectuate this change.

4. Overview of Corporate Documents

Each Director was provided with copies of the following corporate documents: Articles of Incorporation; Bylaws; and Resolution # 794 adopting the Interlocal Cooperative Agreement between the Corporation and the City dated March 26, 2002.

Discussions were held regarding the possible need to amend various provisions of the Articles and Bylaws. It was suggested that any changes which a director feels should be considered should be forwarded to Mr. Baen for distribution to the group. It was noted that any proposed changes will ultimately need to be presented to the City Council for final approval.

5. Meeting Schedule

It was suggested that the Board of Directors schedule regular meeting dates. After discussion of the various transactions which the corporation will have within the foreseeable future, it was suggested that the Board meeting on the fourth Wednesday of the first month of each calendar quarter. In addition, because of the perceived need to evaluate the Articles and Bylaws the Board will also meet on June 27th at 6:00 in City Hall


6. Financial Overview

The Directors were provided with summary financial information regarding the inception to date activities of the corporation. In addition, the Directors were provided with the current fiscal year budget adopted by the City Council as well as a projection of amounts for the following year.

7. Adjourn

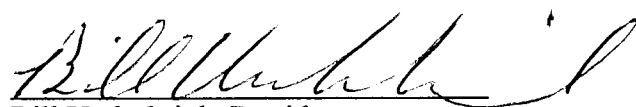
There being no further business, the meeting was adjourned at 7:15 p.m.

ATTEST:



Paul Pierce, Secretary

APPROVED:



Bill Underbrink, President

**BYLAWS OF THE
CITY OF INGLESIDE
DEVELOPMENT CORPORATION**

ARTICLE I

PURPOSE AND POWERS

Section 1.1 Purpose. The Corporation is incorporated for the purposes set forth in Article Four of its Articles of Incorporation, the same to be accomplished on behalf of the City of Ingleside, Texas (the *City*) as its duly constituted authority and instrumentality in accordance with the Development Corporation Act of 1979, as amended, Texas Revised Civil Statutes Annotated Article 5190.6 (the *Act*), and other applicable laws.

Section 1.2 Powers. In the fulfillment of its corporate purposes, the Corporation shall be governed by Section 4B of the Act and an election held in the City on May 6, 2000 (the *Election*), and shall have all the powers set forth and conferred in its Articles of Incorporation, in the Act, and in other applicable law, subject to the limitations prescribed therein and herein and to the provisions thereof and hereof.

ARTICLE II

BOARD OF DIRECTORS

Section 2.1 Powers, Number and Term of Office.

(a) The property and affairs of the Corporation shall be managed and controlled by a Board of Directors (the *Board*) under the guidance and direction of the City Council of the City (the *Council*) and, subject to the restrictions imposed by law, by the Articles of Incorporation, and by these Bylaws, the Board shall exercise all of the powers of the Corporation.

(b) The Board shall consist of seven (7) directors, each of whom shall be appointed by the Council.

(c) The directors constituting the first Board shall be those directors named in the Articles of Incorporation. Successor directors shall have the qualifications, shall be of the classes of directors, and shall be appointed to the terms set forth in the Articles of Incorporation.

(d) Any director may be removed from office by the Council at will.

Section 2.2 Meetings of Directors. (a) The directors may hold their meetings at such place or places in the City as the Board may from time to time determine; provided, however, in the absence of any such determination by the Board, the meetings shall be held at the principal office of the Corporation as specified in Section 5.1 of these Bylaws. Regular meetings of the Board shall be held without the necessity of notice to directors at such times and places as shall be designated from time to time by the Board. Special meetings of the Board shall be held whenever called by the president, by a majority of the directors, by the Mayor of the City, or by a majority of the Council.

(b) The secretary shall give notice to each director of each special meeting in person or by mail, telephone or telegraph, at least two (2) hours before the meeting. Unless otherwise indicated in the notice thereof, any and all matters pertaining to the purposes of the Corporation may be considered and acted upon at a special meeting. At any meeting at which every director shall be present, even though without any notice, any matter pertaining to the purpose of the Corporation may be considered and acted upon consistent with applicable law.

(c) Whenever any notice is required to be given to the Board, said notice shall be deemed to be sufficient if given by depositing the same in a post office box in a sealed postpaid wrapper addressed to the person entitled thereto at his or her post office address as it appears on the books of the Corporation, and such notice shall be deemed to have been given on the day of such mailing. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except attendance of a director at a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened. Neither the business to be transacted at nor the purpose of any regular or special meeting of the Board need be specified in the notice to directors or waiver of notice of such meeting, unless required by the Board. A waiver of notice in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Section 2.3 Open Meetings Act. All meetings and deliberations of the Board shall be called, convened, held, and conducted, and notice shall be given to the public, in accordance with the Texas Open Meetings Act, as amended, Chapter 551, Texas Government Code.

Section 2.4 Quorum. A majority of the entire membership of the Board shall constitute a quorum to conduct official business of the Corporation. The act of a majority of the Board of Directors present at a meeting at which a quorum is in attendance shall constitute the act of the Board and of the Corporation, unless the act of a greater number is required by law.

Section 2.5 Conduct of Business.

(a) At the meetings of the Board, matters pertaining to the business of the Corporation shall be considered in accordance with rules of procedure as from time to time prescribed by the Board.